

**THE EFFECT OF PARTICIPATIVE BUGEDTING AND PROCEDURAL FAIRNENN ON BUDGEI GOAL COMMITMENT AND MANAGER'S PERFORMANCE**

*(Survey at The Regional Pawn Office-Bandung, Semarang dan Surabaya)*

**NOTO PAMUNGKAS**

**L3E 04047**

**TH. 2010**

---

**ABSTRACT**

*The aim of this research are: (1) to describe the application of participative budgeting, procedural fairness, budget goal commitment and manager's performance; (2) to estimate the influence of participative budgeting and procedural fairness simultaneously and partly on budget goal commitment; (3) to estimate the influence of participative budgeting, procedural fairness and budget goal commitment simultaneously on manager's performance.*

*The method used of this research is survey method. Survei is done at The Regional Pawn Office Bandung, Semarang, and Surabaya, the pawn manager's branch office as the respondent. The data used were primary data collected by questioners. The analysis method used in this research was descriptive-verify. In describing each of the research variables, descriptive analysis which used were frequency distribution, score analysis and median distribution. The causal model was analyzed using Structural Equation Modeling (SEM) to analyzed pattern of causal relationships between variables in order to know the effect of direct, indirect or total from several variables causes.*

*The result of this research show that: (1) the application of participative budgeting and procedural fairness is high; (2) there are positive influence of participative budgeting and procedural fairness simultaneously and partly on budget goal commitment. This means the increasing of budget goal commitment can be explained by participative budgeting and procedural fairness; (3) there are positive influence of participative budgeting, procedural fairness and also budget goal commitment simultaneously and partly on manager's performance. This means the increacing of manager's performance can be explained by participative budgeting and procedural fairness and also budget goal commitment.*

**Keywords:** *Participative budgeting; Procedural fairness; Budget goal commitment and Managers performance.*